



*United States Attorney
Southern District of New York*

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**ATTORNEY PLEADS GUILTY IN MANHATTAN FEDERAL COURT
TO LAUNDERING NEARLY \$19 MILLION IN CONNECTION
WITH FINANCIAL ADVISER KENNETH STARR'S FRAUD**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that attorney JONATHAN BRISTOL pled guilty today to conspiracy to launder nearly \$19 million in connection with financial adviser KENNETH STARR's fraud. During his plea allocution, BRISTOL admitted that he allowed STARR to wire funds in and out of his attorney escrow account, knowing that the funds were the proceeds of STARR's scheme to steal money. BRISTOL pled guilty before U.S. District Judge DEBORAH A. BATTS.

Manhattan U.S. Attorney PREET BHARARA stated:
"Attorneys are supposed to promote respect for the rule of law. But Jonathan Bristol abused his position as a partner at a prominent New York City law firm to break the law over and over again. Bristol should have been a gatekeeper; instead, he was an enabler to Kenneth Starr and his multi-million dollar fraud."

According to the superseding Information filed today in Manhattan federal court, as well as statements made at the guilty plea proceeding:

KENNETH STARR was the owner and president of Starr & Company, LLC, which purported to be in the business of managing the assets of, and providing financial planning advice to, high net-worth and celebrity clients. Starr & Company, LLC, also owned and controlled a related entity, Starr Investment Advisers, LLC (collectively, the "Starr Entities"). On September 10, 2010, STARR pled guilty in Manhattan federal court to wire fraud, money laundering, and investment adviser fraud.

BRISTOL is an attorney admitted to practice in New York and New Jersey. From November 2008 through May 2010, BRISTOL was a partner at a prominent law firm in New York City. BRISTOL helped STARR defraud his clients and concealed STARR's criminal conduct by using two separate attorney trust accounts that were

under his control to launder STARR's defrauded funds. The money laundering transactions BRISTOL conspired with STARR to conduct included:

- Starr & CO: In 2009 and 2010, BRISTOL regularly used his escrow accounts to receive funds belonging to STARR clients and then transferred the monies directly to Starr & Co. to pay the company's operating expenses.
- Client Settlements: In or about January 2010, BRISTOL used the escrow accounts to receive STARR client funds and then transferred those funds to pay a settlement with another former, disgruntled STARR client.
- Purchase of a Luxury Apartment: In April 2010, BRISTOL used his escrow accounts to help STARR steal over \$7 million in client funds and purchase a five-bedroom, 6.5 bathroom luxury condominium.

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BRISTOL, 55, pled guilty to one count of conspiracy to commit an offense against the United States, namely, money laundering. He faces a maximum sentence of five years in prison and a maximum fine of \$250,000 or twice the gross gain or loss from the offense. Further, as part of his plea agreement with the government, BRISTOL agreed to pay restitution in the amount of \$18,860,282.69.

BRISTOL is scheduled to be sentenced by Judge BATTIS on September 26, 2011, at 10:30 a.m.

Mr. BHARARA praised the investigative work of the IRS and the U.S. Securities and Exchange Commission. Mr. BHARARA also thanked the New York County District Attorney's Office for its support for and participation in the investigation.

Assistant U.S. Attorneys WILLIAM J. HARRINGTON, MICHAEL BOSWORTH, and MICHAEL LOCKARD, of the U.S. Attorney's Office for the Southern District of New York are in charge of the prosecution. Assistant District Attorneys MICHAEL KITSIS and HOPE KORENSTEIN, of the New York County District Attorney's Office, also provided invaluable support and assistance to the investigation.

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